

# EXHIBIT D

Humphreys, Peter 8/23/2007 9:40:00 AM

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1  
2 A P P E A R A N C E S: (Continued)  
3 CAHILL GORDON & REINDEL LLP  
80 Pine Street  
4 New York, New York 10005  
Attorneys for Pepper Hamilton LLP  
5 BY: DAVID MONTONE, ESQ.  
KATE SUVARI, ESQ.

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1 HUMPHREYS  
2 A. No.  
3 Q. What were you asked to give an  
4 opinion on in this case?  
5 A. I was asked to give an opinion  
6 on the nature of securitization  
7 transactions, the role of an attorney in  
8 securitization transactions, and some  
9 specific comments with respect to the  
10 issues that had been raised by  
11 Mr. Glucksman and Mr. Glazer.  
12 Q. What is your opinion here on  
13 those matters?  
14 A. Well, I think it is in my  
15 expert report. Those are my opinions.  
16 Q. Do you have any other opinions  
17 that you reached in this case that are not  
18 in your expert report?  
19 A. No.  
20 Q. Were you asked to form any  
21 opinions about the conduct of the Pepper  
22 Hamilton law firm in connection with the  
23 matters raised in this lawsuit?  
24 A. No.  
25 Q. Do you have any opinions about

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2 P E T E R H U M P H R E Y S,  
3 called as a witness, having been first  
4 duly sworn, was examined and testified  
5 as follows:  
6 EXAMINATION BY MR. GILBERT:  
7 Q. State your name, please.  
8 A. My name is Peter Humphreys.  
9 Q. Are you the Peter Humphreys who  
10 has given an expert report in this case  
11 involving Pepper Hamilton and other  
12 parties?  
13 A. Yes.  
14 Q. On whose behalf are you  
15 appearing in this case?  
16 A. On behalf of Pepper Hamilton.  
17 Q. Anybody else?  
18 A. No.  
19 Q. You are not here on behalf of  
20 Mr. Gagne himself personally?  
21 A. No.  
22 Q. Are you here on behalf of  
23 anyone in the Bast family or anyone  
24 related to Mr. Gagne or any of the family  
25 trusts?

1 HUMPHREYS  
2 that?  
3 A. No.  
4 Q. Are you planning or do you have  
5 any reason to believe you will be giving  
6 any opinions about Pepper Hamilton's  
7 conduct or Mr. Gagne's conduct in  
8 connection with this lawsuit at any time?  
9 A. No.  
10 Q. Have you told anyone that you  
11 will not opine on that?  
12 MR. MONTONE: Form.  
13 A. I don't think I've really -- I  
14 think the answer is no. I think the  
15 answer is no.  
16 Q. Have you been asked by anyone  
17 to give your views about the conduct of  
18 Pepper Hamilton in connection with the  
19 matters raised in this litigation?  
20 A. No.  
21 Q. Have you given your views on  
22 the conduct of Pepper Hamilton in  
23 connection with the matters raised in this  
24 litigation to anyone?  
25 MR. MONTONE: Form.

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1 HUMPHREYS  
2 Pepper Hamilton case and what it was  
3 about. And it was a sort of general  
4 meeting about what they were looking for  
5 and whether I could do what they wished me  
6 to do.  
7 Q. At the end of the meeting, did  
8 they ask you to go forth and write a  
9 report and continue on?  
10 A. Yes.  
11 Q. What did they ask you to do in  
12 that meeting?  
13 MR. MONTONE: Form.  
14 A. Well, I think the scope of the  
15 report is basically what I was asked to  
16 do.  
17 MR. GILBERT: Why don't we mark  
18 this as the next exhibit.  
19 (Exhibit 2054-I marked for  
20 identification.)  
21 Q. Do you have in front of you  
22 what's been marked as 2054, Track I? Is  
23 that the report that you have prepared for  
24 this case?  
25 A. Yes.

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1 HUMPHREYS  
2 Q. Is it complete?  
3 A. Yes, it appears to be.  
4 Q. By the way, did you do all the  
5 work on this report yourself or did you  
6 have the help of others?  
7 A. I had the help of an associate  
8 who works with me.  
9 Q. Who is that?  
10 A. Lisa Avalos.  
11 Q. Did anybody else help you with  
12 the report?  
13 A. We may have had -- I think we  
14 had a summer associate help us whose name  
15 I think is Charles Davi. And I talked to  
16 my partner, Howard Mulligan, I talked to  
17 him about other things, general  
18 discussions about the type of report I was  
19 going to produce.  
20 Q. Is Howard someone else who  
21 works in the securitization practice area?  
22 A. Yes.  
23 Q. Here in New York?  
24 A. Yes.  
25 Q. By the way, when did you

1 HUMPHREYS  
2 complete the report?  
3 A. July 12th, 2007.  
4 Q. About how many hours have you  
5 spent on this engagement?  
6 A. I don't know exactly. I would  
7 estimate 50 or 60 so far.  
8 Q. How many hours have been spent  
9 by Lisa Avalos?  
10 A. I don't know. I just don't  
11 know.  
12 Q. Would she have spent an  
13 equivalent number of hours?  
14 A. Probably, yes.  
15 Q. How about the summer associate,  
16 do you know how many hours he spent?  
17 A. A small amount of hours.  
18 Q. How about Mr. Mulligan?  
19 A. A small amount of hours.  
20 Q. Were all those hours billed to  
21 Pepper Hamilton? Who is your client here  
22 for billing purposes?  
23 A. Pepper Hamilton. I don't know  
24 if we billed all the hours. I don't  
25 remember how much. The summer associate,

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1 HUMPHREYS  
2 I would be surprised if I billed all the  
3 time.  
4 Q. Would you have billed  
5 Mr. Mulligan's time?  
6 A. Yes.  
7 Q. And billed Ms. Avalos' time?  
8 A. Yes, most of it.  
9 Q. Anyone else's time billed to  
10 Pepper Hamilton?  
11 A. No, I don't think so.  
12 Q. What is the rate that you are  
13 charging?  
14 A. My rate?  
15 Q. Yes.  
16 A. \$850 an hour.  
17 Q. What is Mr. Mulligan's rate?  
18 A. \$630, I believe.  
19 Q. And how about Ms. Avalos?  
20 A. \$300.  
21 Q. Do you know the summer  
22 associate's rate?  
23 A. I think that is also \$300.  
24 Q. What years of experience does  
25 Ms. Avalos have? How far out of law

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1  
2 UNITED STATES DISTRICT COURT  
3 DISTRICT OF DELAWARE  
4 C.A. No. 02-1294-JJF  
5 -----X  
6 MBIA INSURANCE CORPORATION AND  
7 WELLS FARGO BANK, N.A. (f/k/a  
8 WELLS FARGO BANK MINNESOTA N.A.)  
9 AS TRUSTEE OF SFC GRANTOR TRUST,  
10 SERIES 2000-1, SFC GRANTOR TRUST,  
11 SERIES 2000-2, SFC GRANTOR TRUST,  
12 SERIES 2000-3, SFC GRANTOR TRUST,  
13 SERIES 2000-4, SFC GRANTOR TRUST,  
14 SERIES 2001-1, SFC GRANTOR TRUST,  
15 SERIES 2001-2, SFC OWNER TRUST,  
16 SERIES 2000-I, AND SFC GRANTOR  
17 TRUST, SERIES 2001-3,  
18 Plaintiffs/  
19 Counterclaim Defendants,  
20  
21 - vs -  
22  
23 ROYAL INDEMNITY COMPANY,  
24 Defendant/  
25 Counterclaim Plaintiff.  
26 -----X  
27 ROYAL INDEMNITY COMPANY,  
28 Third-Party Plaintiff,  
29  
30 - vs -  
31 ANDREW N. YAO, STUDENT LOAN SERVICING  
32 LLC, STUDENT LOAN ACCEPTANCE II LLC,  
33 STUDENT LOAN ACCEPTANCE III LLC, STUDENT  
34 LOAN ACCEPTANCE V LLC, STUDENT LOAN  
35 ACCEPTANCE VIII LLC, STUDENT LOAN  
36 ACCEPTANCE IX LLC, SFC FINANCIAL LLC I,  
37 SFC FINANCIAL LLC II, SFC FINANCIAL LLC  
38 VI, SFC FINANCIAL LLC VII,  
39 Third Party Defendants.  
40 -----X  
41 August 23, 2007  
42 9:40 a.m.  
43  
44 TRACK I WITNESS: PETER HUMPHREYS  
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1  
2 -----X  
3 ROYAL INDEMNITY COMPANY,  
4 Counter-Claimant,  
5  
6 - vs -  
7 MBIA BANK and WELLS FARGO BANK MINNESOTA  
8 N.A.,  
9 Counter-Defendants.  
10 -----X  
11 C.A. No. 04-1551-JJF  
12 -----X  
13 CHARLES A. STANZIALE, JR., CHAPTER 7  
14 TRUSTEE OF STUDENT LOAN FINANCE  
15 CORPORATION,  
16 Plaintiff,  
17  
18 - vs -  
19 PEPPER HAMILTON LLP, et al.,  
20 Defendants.  
21 -----X  
22 C.A. No. 05-72-JJF  
23 -----X  
24 CHARLES A. STANZIALE, JR., CHAPTER 7  
25 TRUSTEE OF STUDENT LOAN FINANCE  
26 CORPORATION,  
27 Plaintiff,  
28  
29 - vs -  
30 McGLADREY & PULLEN LLP AND MICHAEL AQUINO,  
31 Defendants.  
32 -----X  
33 C.A. No. 05-165-JJF  
34 -----X  
35 ROYAL INDEMNITY COMPANY,  
36 Plaintiff,  
37  
38 - vs -  
39 PEPPER HAMILTON LLP, et al.,  
40 Defendants.  
41 -----X

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4 August 23, 2007  
5 9:40 a.m.  
6  
7 Videotaped Deposition of PETER  
8 HUMPHREYS, held at the offices of Cahill  
9 Gordon & Reindel LLP, 80 Pine Street, New  
10 York, New York, before Todd DeSimone, a  
11 Registered Professional Reporter and  
12 Notary Public of the State of New York.  
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2 A P P E A R A N C E S :  
3  
4 SONNENSCHN NATH & ROSENTHAL, ESQ.  
5 233 South Wacker Drive  
6 Chicago, Illinois 60606  
7 Attorneys for Royal Indemnity  
8 Company  
9 BY: ALAN GILBERT, ESQ.  
10 JOHN GROSSBART, ESQ.  
11  
12 - and -  
13  
14 SONNENSCHN NATH & ROSENTHAL, ESQ.  
15 1221 Avenue of the Americas  
16 New York, New York 10020  
17 BY: DANIEL PANCOTTI, ESQ.  
18  
19  
20 McELROY, DEUTSCH, MULVANEY  
21 & CARPENTER, LLP  
22 Three Gateway Center  
23 100 Mulberry Street  
24 Newark, New Jersey 07102-4079  
25 Attorneys for the Bankruptcy  
Trustee for SFC  
BY: LOIS GOODMAN, ESQ.  
SCHNADER HARRISON SEGAL & LEWIS LLP  
1600 Market Street  
Philadelphia, Pennsylvania 19103-7286  
Attorneys for Pepper Hamilton LLP  
BY: DAVID PELLETIER, ESQ.

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1 HUMPBREYS  
2 school is she?  
3 A. She is a first year. She is  
4 starting her second year.  
5 Q. What work did Ms. Avalos do for  
6 you in connection with this matter?  
7 A. She summarized the deposition  
8 of Mr. Gagne, the long deposition, and she  
9 checked that the PPMs were substantially  
10 similar in form and that the opinions were  
11 substantially similar in form. That's  
12 probably the main scope of the work she  
13 did.  
14 Q. Did Ms. Avalos provide you a  
15 written summary of the Gagne deposition?  
16 A. She did.  
17 Q. Do you have a copy of that with  
18 you?  
19 A. No.  
20 MR. GILBERT: Do you have a  
21 copy of that?  
22 MR. MONTONE: No. Are you  
23 requesting it?  
24 MR. GILBERT: I would like it,  
25 yes. In fact, I believe there is a

1 HUMPBREYS  
2 Mr. Davi or Mr. Mulligan, provide you any  
3 written communications in connection with  
4 this engagement?  
5 A. Yes, I'm sure I have e-mails  
6 that were being sent to me.  
7 MR. GILBERT: We would request  
8 those as well.  
9 Q. Those, I take it, would still  
10 be available?  
11 A. Yes.  
12 Q. Have any bills been sent to  
13 Pepper Hamilton?  
14 A. Yes.  
15 Q. How much have the bills been?  
16 Do you know what your bills to date have  
17 been?  
18 A. I think the first bill was  
19 \$70,000. I think there is a second bill  
20 for about 18.  
21 Q. Do you know what the unbilled  
22 time is to date?  
23 A. About 30.  
24 Q. Are you charging your regular  
25 rate for your testimony here today or some

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1 HUMPBREYS  
2 request for other documents that were  
3 prepared in connection with the work.  
4 Q. That's not listed on your list  
5 of documents reviewed, correct?  
6 A. No, it is not.  
7 MR. GILBERT: I would request a  
8 copy of that. Can you provide me a copy  
9 of that?  
10 MR. MONTONE: We will take that  
11 under advisement. We can talk about it at  
12 lunch.  
13 MR. GROSSBART: If you are  
14 going to produce it, can you produce it at  
15 lunchtime so we can use it in the  
16 deposition?  
17 MR. MONTONE: Why don't we talk  
18 about it at lunch.  
19 MR. GILBERT: We will make a  
20 request for it.  
21 MR. GROSSBART: It should have  
22 been listed. We are requesting it. And  
23 it has been requested. And it should have  
24 been listed.  
25 Q. Did Ms. Avalos or anybody else,

1 HUMPBREYS  
2 different rate?  
3 A. No, I'm charging my regular  
4 rate.  
5 Q. Do your bills that were sent  
6 contain information about the work that  
7 was done by the lawyers and anyone else  
8 who worked on the matter?  
9 A. Yes.  
10 MR. GILBERT: I request copies  
11 of those, too.  
12 MR. GROSSBART: Could we go off  
13 the record for a minute? I want to  
14 consult with Mr. Gilbert.  
15 MR. MONTONE: Sure.  
16 (Recess taken.)  
17 BY MR. GILBERT:  
18 Q. Did you read the Gagne  
19 deposition yourself?  
20 A. Yes.  
21 Q. Did you rely on the summary  
22 that you were given by Ms. Avalos?  
23 MR. MONTONE: Form.  
24 Q. Let me ask it another way. Did  
25 you review the summary that she gave you?

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1 HUMPBREYS  
2 A. Yes.  
3 Q. And you considered that in  
4 connection with your work on your report?  
5 MR. MONTONE: Form.  
6 A. I read the Gagne deposition  
7 myself. It was helpful as an index to  
8 that deposition.  
9 MR. GILBERT: Given that we  
10 haven't been produced that summary and  
11 that was a document that you looked at in  
12 connection with the work that you did here  
13 and that we don't want to have to come  
14 back, we want to finish this deposition  
15 today, why don't we take a short break now  
16 and have you or whoever needs to at least  
17 get a copy of that summary so that we can  
18 have it and be able to use it if there are  
19 any questions we have about it, so we can  
20 have it at lunch to take a quick look at  
21 it and see if there are any questions we  
22 have on it.  
23 Why don't we do that now so we  
24 don't get in a time crunch later. You can  
25 make your determination at lunch to

1 HUMPBREYS  
2 MR. GROSSBART: I believe that  
3 the prior request --  
4 MR. MONTONE: Do you have it?  
5 MS. GOODMAN: There was an  
6 agreement by e-mail.  
7 MR. GROSSBART: There was an  
8 agreement that said if the witness --  
9 MR. MONTONE: Do you have it?  
10 MR. GROSSBART: No, I don't  
11 have it, but it is memorialized in e-mails  
12 with Steve Shapiro, so you have it.  
13 MR. MONTONE: I don't have it  
14 in front of me. That's why we are asking.  
15 MR. GROSSBART: That is why I  
16 was trying to describe it. Do you want me  
17 to describe it or not?  
18 MR. MONTONE: No. I would  
19 actually like to see it.  
20 MR. GROSSBART: I don't have  
21 it. Would you like the next best thing or  
22 not?  
23 MR. GILBERT: Let's take a  
24 break and go off the record.  
25 (Recess taken.)

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1 HUMPBREYS  
2 produce it or not. How does that sound?  
3 MR. MONTONE: That's fine.  
4 MR. GILBERT: Let me add to  
5 that any substantive e-mails, not if you  
6 got e-mails just scheduling things, but if  
7 you have any e-mails, for instance, if she  
8 gave you an e-mail that says "All these  
9 opinions look like they are the same" or  
10 "This one looks different from this one,"  
11 we would request that as well.  
12 MR. PELLETIER: Can I ask what  
13 the prior request was?  
14 MR. GROSSBART: It doesn't  
15 really matter, because under the rule, the  
16 material was required to be listed. If he  
17 read it or reviewed it or considered it or  
18 relied upon it, it needed to be listed.  
19 We have assumed that the lists were  
20 complete. We now found out that the list  
21 is not complete. That's the genesis of  
22 the request.  
23 MR. PELLETIER: It was just  
24 mentioned there was a prior request in  
25 writing.

1 HUMPBREYS  
2 BY MR. GILBERT:  
3 Q. Mr. Humphreys, you mentioned  
4 there was this summary of the Gagne  
5 deposition that was done by Ms. Avalos and  
6 you mentioned there were some e-mails.  
7 Were there any other memoranda  
8 or writings that were prepared by you or  
9 your colleagues in connection with this  
10 engagement other than the ones you have  
11 talked about and obviously your report?  
12 A. No, I don't remember other  
13 e-mails. I don't remember how many  
14 e-mails were produced. But the answer is  
15 no, there were no memoranda.  
16 Q. Did the summer associate do any  
17 kind of a memorandum for you of anything?  
18 A. I don't believe so. I don't  
19 think so. I don't remember seeing one.  
20 Q. Turning to your report, which  
21 is Exhibit 2054, in front of you, if you  
22 could turn to page B-1, the material  
23 considered, and there is a three-page  
24 listing there?  
25 A. Yes.

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1 HUMPBREYS  
 2 Q. And you took these facts as  
 3 true when preparing your report?  
 4 A. Yes.  
 5 Q. In looking, again, at page C-4,  
 6 in that fourth paragraph, would you agree  
 7 with me that the \$45 million in credit  
 8 enhancement insurance that is listed there  
 9 on November 27th, 2000 would have been a  
 10 warehouse line and that the \$55.6 million  
 11 listed in the amended policy later would  
 12 have been a securitization policy?  
 13 MR. MONTONE: Form.  
 14 A. I would definitely agree with  
 15 you, because it says that it was in  
 16 connection with the securitization. I  
 17 don't know specifically if the \$45 million  
 18 was for a warehouse line or not.  
 19 Q. But would you agree with me  
 20 that what this seems to say, if this is  
 21 true, is that prior to Royal issuing the  
 22 April 24, 2001 securitization policy for  
 23 \$55.6 million, that Royal had only insured  
 24 \$45 million of those loans?  
 25 MR. MONTONE: Form.

1 HUMPBREYS  
 2 Q. Wouldn't you have wanted to  
 3 check into that before forming your  
 4 reliance opinion that Royal could not have  
 5 relied on the securitization structure in  
 6 that instance?  
 7 MR. MONTONE: Form.  
 8 A. I'm not sure I understand what  
 9 the relevance of the securitization is to  
 10 what is being called here the  
 11 securitization policy. The structural  
 12 aspects of the securitization didn't  
 13 provide Royal with any particular benefit.  
 14 Q. What's the basis for your  
 15 opinion that the structure of the  
 16 securitization didn't provide Royal with  
 17 any particular benefit?  
 18 A. Although, related to this, I  
 19 believe there is a premium paid out of the  
 20 cash drawn on the securitization, but  
 21 whether the securitization worked or not,  
 22 Royal was still liable for the losses on  
 23 the loans.  
 24 Q. So you investigated the entire  
 25 structure of the securitization before

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1 HUMPBREYS  
 2 A. Yes. But I don't know whether  
 3 the \$55.6 million includes \$10 million of  
 4 loans that had already been insured under  
 5 other policies.  
 6 Q. Did you investigate that?  
 7 A. No, I did not.  
 8 Q. So as you sit here today, is it  
 9 possible that \$55.6 million may not have  
 10 been covered by other policies?  
 11 MR. MONTONE: Form.  
 12 Q. The loans that were insured in  
 13 that April 24th policy may not have been  
 14 covered by other insurance policies?  
 15 MR. MONTONE: Form.  
 16 A. It is possible, but I don't  
 17 know.  
 18 Q. You didn't look into that?  
 19 A. I did not.  
 20 Q. Isn't it possible that the  
 21 securitization policy in this instance  
 22 included additional amounts of loans that  
 23 weren't insured previously?  
 24 MR. MONTONE: Form.  
 25 A. Yes, it is possible.

1 HUMPBREYS  
 2 forming that opinion; is that correct?  
 3 A. Yes.  
 4 Q. And you are an expert in the  
 5 structure of securitizations?  
 6 A. Yes.  
 7 Q. If it turned out that Royal had  
 8 an interest in the securitizations beyond  
 9 the little bit of premium that might be  
 10 paid, could that change your opinion about  
 11 whether Royal would be concerned about the  
 12 structure of the securitizations?  
 13 MR. MONTONE: Form.  
 14 A. Yes. It depends on what that  
 15 interest was, but yes.  
 16 Q. In forming your opinions here  
 17 in this case, you've made various  
 18 assumptions; isn't that correct?  
 19 A. Yes.  
 20 Q. You've assumed facts, correct?  
 21 You've assumed facts were true?  
 22 A. Yes.  
 23 Q. You've heard facts from the  
 24 lawyers for Pepper Hamilton which you've  
 25 relied upon in forming your opinions,

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1 HUMPHEYS  
2 correct?  
3 A. Yes.  
4 Q. You read this statement that  
5 Pepper Hamilton gave you that we are  
6 looking at here, Exhibit C, correct?  
7 MR. MONTONE: Form.  
8 A. Yes.  
9 Q. And you relied on what you were  
10 told there as being true as an assumption  
11 upon which you formed your opinion,  
12 correct?  
13 A. Yes.  
14 Q. Now, if assumptions that you  
15 relied upon in forming your opinion turned  
16 out to be untrue, that could mean your  
17 opinions may be changed or may not be  
18 accurate anymore; isn't that correct?  
19 A. Yes.  
20 Q. When did you reach your  
21 opinions in this case?  
22 A. I think July 12th, 2007.  
23 Q. Did you form any of those  
24 opinions before then? Forget that.  
25 That's your report. By the

1 HUMPHEYS  
2 Q. How many drafts did you do?  
3 A. I don't remember.  
4 Q. Did you save your drafts?  
5 A. Yes.  
6 Q. Now, from the time you did your  
7 first draft until your final report, was  
8 there anything that was removed from any  
9 of the drafts at Cahill's request?  
10 A. I don't remember.  
11 Q. You don't remember anything?  
12 A. I don't remember specific  
13 removals, no.  
14 Q. Do you remember anything in  
15 general?  
16 A. No.  
17 Q. But there were things that you  
18 removed as a result of comments that you  
19 received from Cahill?  
20 MR. MONTONE: Form.  
21 MR. PELLETIER: I object to  
22 form.  
23 A. Yes. We changed some words and  
24 probably took some words out and put some  
25 words back in.

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1 HUMPHEYS  
2 way, did you do any drafts of your report?  
3 A. Yes.  
4 Q. By the way, who wrote the first  
5 draft of the report?  
6 A. I think I did, actually. I  
7 did, yes.  
8 Q. Were you the one who wrote the  
9 entire report?  
10 A. Yes, pretty much.  
11 Q. Anybody else help you with any  
12 of the language in the report?  
13 A. I showed drafts to the lawyers  
14 at Cahill. But primarily, yes, I showed  
15 drafts to the people at Cahill.  
16 Q. Did they comment on the drafts  
17 that you showed them?  
18 A. Yes.  
19 Q. Did you make any changes after  
20 they commented?  
21 A. Yes.  
22 Q. When did you get the first  
23 draft to them?  
24 A. I don't remember specifically.  
25 Probably June, late June. Maybe earlier.

1 HUMPHEYS  
2 Q. Were they all just editorial  
3 type changes?  
4 MR. MONTONE: Form.  
5 A. They were sometimes  
6 clarification type changes.  
7 Q. Were there any substantive  
8 areas that you included in drafts of the  
9 report that were not included in the final  
10 report?  
11 A. No.  
12 Q. Who at Cahill did you talk to  
13 about the report?  
14 A. David Montone, David  
15 Januszewski.  
16 Q. Where are the prior drafts?  
17 Are those on your computer system or in  
18 your office?  
19 A. Yes.  
20 Q. Any comments you got, were they  
21 given to you orally or were they given to  
22 you by writing in some form?  
23 A. Some were given orally and some  
24 were given by e-mail.  
25 Q. By the way, is the amount --



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1 HUMPHEYS  
2 the rate that you are charging for  
3 yourself and others in the firm, are those  
4 your normal billing rates or are they  
5 different for this engagement?  
6 A. Normal billing rates.  
7 Q. Let's talk about Exhibit C  
8 again. When did you receive Exhibit C?  
9 A. I don't remember specifically.  
10 Sometime during the period I was preparing  
11 the report, before it was prepared  
12 obviously.  
13 Q. Was there a prior version of  
14 this that you got, or was this the only  
15 version that you got?  
16 A. Of the facts?  
17 Q. Yes, of what's Exhibit C here.  
18 A. There is a prior version.  
19 Q. That is different from this  
20 one?  
21 A. Different from this one, yes.  
22 Q. And you reviewed that in  
23 connection with your work?  
24 A. Yes.  
25 MR. GILBERT: I would request

1 HUMPHEYS  
2 some of the documents that are listed on  
3 the report.  
4 Q. To your knowledge, are there  
5 any e-mails that attached documents -- let  
6 me back up.  
7 Are there any documents that  
8 you were provided by e-mail that are not  
9 included on the list here or as Exhibit C?  
10 A. I don't think so. I don't  
11 believe so. We tried to list everything  
12 on Exhibit C. I'm sorry, Exhibit B.  
13 Q. Exhibit B is a list of all the  
14 documents that you were provided or saw in  
15 connection with this matter?  
16 MR. MONTONE: Form.  
17 A. Exhibit B is a list of all the  
18 documents I relied on in writing my  
19 report.  
20 Q. Apart from reliance, did you  
21 consider or review any other documents in  
22 connection with your report?  
23 A. I don't believe so. I don't  
24 believe so.  
25 Q. You did not say that with

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1 HUMPHEYS  
2 that as well, Mr. Montone.  
3 Q. Is there more than one prior  
4 version?  
5 A. I don't remember. I remember  
6 one prior version. I don't remember if  
7 there was more than one.  
8 Q. Was there anything else that  
9 was given to you -- the prior version was  
10 given to you by the Cahill firm, I take  
11 it?  
12 A. Yes.  
13 Q. Was there any other written  
14 materials, and that would include e-mails,  
15 given to you by the Cahill firm other than  
16 the prior version of Exhibit C, the  
17 version of Exhibit C that is here, and the  
18 list of documents that are in Exhibit B?  
19 A. Yes, I'm sure I received  
20 e-mails from Cahill.  
21 Q. Any of those e-mails provide  
22 you any substantive information that you  
23 considered in connection with your report?  
24 A. No, I don't believe so. I  
25 mean, some of them would attach documents,

1 HUMPHEYS  
2 complete conviction. What leads you to  
3 say "I don't believe so" as opposed to  
4 "no"?  
5 MR. MONTONE: Form.  
6 A. I'm just not sure.  
7 Q. Did you consider, apart from  
8 what's listed here, did you consider any  
9 materials from other sources such as  
10 treatises, articles, materials from the  
11 Internet, anything else in connection with  
12 your report?  
13 A. Yes. The introductory part  
14 about the nature of securitization, I used  
15 parts of an article I had written, which  
16 is listed. I looked at that because it is  
17 a general article about securitization  
18 authored by me.  
19 Q. Which article is that, sir?  
20 A. It is the article "Structured  
21 Finance Challenges for New Issues and New  
22 Assets: An Overview," on page A-2.  
23 Q. Apart from that article, is  
24 there anything else that you considered or  
25 reviewed in connection with your opinion

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1 HUMPHREYS  
 2 MR. GILBERT: I have no more  
 3 questions.  
 4 We, of course, as we said  
 5 before, reserve the right to ask further  
 6 questions given that there have been at  
 7 this point a number of items that we have  
 8 not received that we believe we should  
 9 have received. So once we get those, we  
 10 would reserve the opportunity to ask more  
 11 questions of Mr. Humphreys.  
 12 MR. MONTONE: With respect to  
 13 the request for the deposition summary,  
 14 which we have taken under advisement, with  
 15 respect to that specific request, because  
 16 it was not a document that was considered  
 17 by Mr. Humphreys in the formation of his  
 18 report, we do not believe you are entitled  
 19 to disclosure of it.  
 20 MR. GILBERT: Can I have the  
 21 rules that are in front of you, please?  
 22 MR. GROSSBART: I want to ask  
 23 him some questions about it. I want to  
 24 make a record for my motion.  
 25 EXAMINATION BY MR. GROSSBART:

1 HUMPHREYS  
 2 Q. When is the last time you  
 3 reviewed the summary?  
 4 A. When I read Gagne's deposition,  
 5 which was sometime in June.  
 6 Q. Did you use the summary to help  
 7 you determine what portions of Mr. Gagne's  
 8 deposition would be of more interest to  
 9 you or less interest to you?  
 10 MR. MONTONE: Form.  
 11 A. Yes, I used it to help me  
 12 identify which were of more interest or  
 13 less interest, that's true.  
 14 Q. So you didn't sit down with all  
 15 of Gagne's deposition and simply read it  
 16 from one end to the other, correct?  
 17 A. Yes, I guess I read the whole  
 18 thing, but I moved more rapidly through  
 19 some parts.  
 20 Q. So the memo was an aid in  
 21 helping you hone in on that testimony that  
 22 you thought would be more pertinent as  
 23 opposed to less pertinent to the matters  
 24 that you have been asked to opine about,  
 25 correct?

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1 HUMPHREYS  
 2 Q. Did the memo that you are  
 3 refusing to produce that was prepared by  
 4 your associate contain any comments on the  
 5 quality of the testimony given by  
 6 Mr. Gagne?  
 7 A. I don't remember.  
 8 Q. Did it contain any impressions  
 9 regarding the credibility of his  
 10 testimony?  
 11 A. I don't remember. I didn't  
 12 review it substantively. I only used it  
 13 as an index to help me when I was reading  
 14 Mr. Gagne's deposition myself.  
 15 Q. How many hours did Ms. Avalos  
 16 spend on the summary?  
 17 A. I don't know. I'm sorry, I  
 18 don't know.  
 19 Q. Have you charged Pepper  
 20 Hamilton for those hours, whatever they  
 21 may be?  
 22 A. Yes, perhaps subject to some  
 23 minor adjustment when I went through the  
 24 bill. I don't know if I reduced the time  
 25 or not.

1 HUMPHREYS  
 2 MR. MONTONE: Form.  
 3 A. Yes.  
 4 Q. How long is the summary?  
 5 A. I don't remember. Ten pages  
 6 maybe. Eight pages, ten pages.  
 7 Q. Does the summary also purport  
 8 to summarize exhibits as well as  
 9 deposition testimony?  
 10 A. No, I don't think we had the  
 11 exhibits at that point.  
 12 EXAMINATION BY MR. GILBERT:  
 13 Q. Is Mr. Montone your lawyer here  
 14 today?  
 15 A. No, I guess not.  
 16 Q. So you are here without your  
 17 own lawyer?  
 18 A. Yes.  
 19 Q. The request to produce this has  
 20 been made of you as an expert in this  
 21 case. Are you refusing to produce this  
 22 summary to us?  
 23 MR. MONTONE: Form.  
 24 A. No, I think I don't -- I guess  
 25 I'm not refusing to do anything. I don't